
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0389.1/01

ATTY/TYPIST: ML:seg

BRIEF DESCRIPTION: Issuing bonds to finance the east plaza garage repairs.

1 AN ACT Relating to state general obligation bonds and related
2 accounts; amending RCW 39.42.060; adding a new chapter to Title 43 RCW;
3 and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** For the purpose of providing funds for the
6 planning, design, construction, and other necessary costs for replacing
7 the waterproof membrane over the east plaza garage and revising related
8 landscaping, the state finance committee is authorized to issue general
9 obligation bonds of the state of Washington in the sum of sixteen
10 million dollars, or as much thereof as may be required, to finance this
11 project and all costs incidental thereto. Bonds authorized in this
12 section may be sold at such price as the state finance committee shall
13 determine. No bonds authorized in this section may be offered for sale
14 without prior legislative appropriation of the net proceeds of the sale
15 of the bonds.

16 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds
17 authorized in section 1 of this act shall be deposited in the state
18 building construction account created by RCW 43.83.020. The proceeds

1 shall be transferred as follows: Fifteen million five hundred twenty
2 thousand dollars to the state vehicle parking account created by RCW
3 43.01.225.

4 These proceeds shall be used exclusively for the purposes specified
5 in this section and for the payment of expenses incurred in the
6 issuance and sale of the bonds issued for the purposes of this section,
7 and shall be administered by the office of financial management subject
8 to legislative appropriation.

9 NEW SECTION. **Sec. 3.** (1) The nondebt-limit reimbursable bond
10 retirement account shall be used for the payment of the principal of
11 and interest on the bonds authorized in section 2 of this act.

12 (2) The state finance committee shall, on or before June 30th of
13 each year, certify to the state treasurer the amount needed in the
14 ensuing twelve months to meet the bond retirement and interest
15 requirements on the bonds authorized in section 2 of this act.

16 (3) On each date on which any interest or principal and interest
17 payment is due on bonds issued for the purposes of section 2 of this
18 act, the state treasurer shall transfer from the state vehicle parking
19 account for deposit into the nondebt-limit reimbursable bond retirement
20 account, the amount computed in subsection (2) of this section for
21 bonds issued for the purposes of section 2 of this act.

22 NEW SECTION. **Sec. 4.** (1) Bonds issued under section 1 of this act
23 shall state that they are a general obligation of the state of
24 Washington, shall pledge the full faith and credit of the state to the
25 payment of the principal thereof and the interest thereon, and shall
26 contain an unconditional promise to pay the principal and interest as
27 the same shall become due.

28 (2) The owner and holder of each of the bonds or the trustee for
29 the owner and holder of any of the bonds may by mandamus or other
30 appropriate proceeding require the transfer and payment of funds as
31 directed in this section.

32 NEW SECTION. **Sec. 5.** The legislature may provide additional means
33 for raising moneys for the payment of the principal of and interest on
34 the bonds authorized in section 1 of this act, and sections 2 and 3 of
35 this act shall not be deemed to provide an exclusive method for the
36 payment.

1 NEW SECTION. **Sec. 6.** The bonds authorized in section 1 of this
2 act shall be a legal investment for all state funds or funds under
3 state control and for all funds of any other public body.

4 **Sec. 7.** RCW 39.42.060 and 1999 c 273 s 9 are each amended to read
5 as follows:

6 No bonds, notes, or other evidences of indebtedness for borrowed
7 money shall be issued by the state which will cause the aggregate debt
8 contracted by the state to exceed that amount for which payments of
9 principal and interest in any fiscal year would require the state to
10 expend more than seven percent of the arithmetic mean of its general
11 state revenues, as defined in section 1(c) of Article VIII of the
12 Washington state Constitution for the three immediately preceding
13 fiscal years as certified by the treasurer in accordance with RCW
14 39.42.070. It shall be the duty of the state finance committee to
15 compute annually the amount required to pay principal of and interest
16 on outstanding debt. In making such computation, the state finance
17 committee shall include all borrowed money represented by bonds, notes,
18 or other evidences of indebtedness which are secured by the full faith
19 and credit of the state or are required to be paid, directly or
20 indirectly, from general state revenues and which are incurred by the
21 state, any department, authority, public corporation or quasi public
22 corporation of the state, any state university or college, or any other
23 public agency created by the state but not by counties, cities, towns,
24 school districts, or other municipal corporations, and shall include
25 debt incurred pursuant to section 3 of Article VIII of the Washington
26 state Constitution, but shall exclude the following:

27 (1) Obligations for the payment of current expenses of state
28 government;

29 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

30 (3) Principal of and interest on bond anticipation notes;

31 (4) Any indebtedness which has been refunded;

32 (5) Financing contracts entered into under chapter 39.94 RCW;

33 (6) Indebtedness authorized or incurred before July 1, 1993,
34 pursuant to statute which requires that the state treasury be
35 reimbursed, in the amount of the principal of and the interest on such
36 indebtedness, from money other than general state revenues or from the
37 special excise tax imposed pursuant to chapter 67.40 RCW;

(7) Indebtedness authorized and incurred after July 1, 1993, pursuant to statute that requires that the state treasury be reimbursed, in the amount of the principal of and the interest on such indebtedness, from (a) moneys outside the state treasury, except higher education operating fees, (b) higher education building fees, (c) indirect costs recovered from federal grants and contracts, and (d) fees and charges associated with hospitals operated or managed by institutions of higher education;

(8) Any agreement, promissory note, or other instrument entered into by the state finance committee under RCW 39.42.030 in connection with its acquisition of bond insurance, letters of credit, or other credit support instruments for the purpose of guaranteeing the payment or enhancing the marketability, or both, of any state bonds, notes, or other evidence of indebtedness;

(9) Indebtedness incurred for the purposes identified in RCW 43.99N.020; ~~((and))~~

(10) Indebtedness incurred for the purposes of the school district bond guaranty established by chapter 39.98 RCW; and

(11) Indebtedness incurred for the purposes of replacing the waterproof membrane over the east plaza garage and revising related landscaping construction pursuant to section 2 of this act.

To the extent necessary because of the constitutional or statutory debt limitation, priorities with respect to the issuance or guaranteeing of bonds, notes, or other evidences of indebtedness by the state shall be determined by the state finance committee.

NEW SECTION. **Sec. 8.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 9.** Sections 1 through 6 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec. 10.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the

- 1 state government and its existing public institutions, and takes effect
- 2 immediately.

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